

**DEFINITIONS** ARS 28-4301 – Effective January 1, 2006

**Automotive Recycler** means a person who is engaged in the business of buying or acquiring a motor vehicle solely for the purpose of dismantling, selling or otherwise disposing of the parts or accessories and who dismantles six or more vehicles in a calendar year.

**Broker** means a person who for a fee, commission or other valuable consideration offers to provide, provides or represents that the person will provide a service of arranging or assisting in effecting the purchase of a motor vehicle and who is not a/an:

1. New motor vehicle dealer or an employee or agent of a new motor vehicle dealer
2. Used motor vehicle dealer or an employee or agent of a used motor vehicle dealer
3. Manufacturer or an employee or agent of a manufacturer
4. Auctioneer or engaged in the auto auction business
5. Wholesale motor vehicle dealer

**New Motor Vehicle Dealer** means a person who buys, sells, exchanges or offers or attempts to negotiate a sale or exchange of any interest in, or who is engaged in the business of selling, new motor vehicles or used motor vehicles taken in trade on new motor vehicles or used vehicles purchased for resale.

**Public Consignment Auction Dealer** means a person who at the public consignment auction dealer's established place of business or at an authorized off-premises location pursuant to the requirements of Section 28-4401 is in the business of both of the following:

- a. Conducting live auctions with a licensed auctioneer verbally calling for and accepting bids
- b. Providing live auction services to the public on a consignment contract basis

**Used Motor Vehicle Dealer** means a person, other than a new motor vehicle dealer, who buys, sells, auctions, exchanges or offers or attempts to

negotiate a sale or exchange of any interest in, or who is engaged in the business of selling, four or more used motor vehicles in a **continuous 12 month period**. Used motor vehicle dealer does not include a wholesale motor vehicle auction dealer or a public consignment auction dealer.

**Wholesale Motor Vehicle Auction Dealer** means a person who is in the business of providing auction services **solely** in wholesale transactions to motor vehicle dealers licensed by this state or any other jurisdiction, and **who neither buys, sells nor owns the motor vehicles he or she auctions** in the ordinary course of business.

**Wholesale Motor Vehicle Dealer** means a person who sells used motor vehicles **only** to licensed motor vehicle dealers.

**APPLICATION** ARS 28-4361

Application must be **completed in full** and must be signed by the individual, all partners, or an officer of the corporation.

Application will be returned for incompleteness, non-compliance of requirements or improper fees.

A separate application must be submitted for each type of license and for each county.

Note – If there is a change in business entity, after becoming licensed, then a new application must be submitted with all applicable paperwork, including a new bond.

**CRIMINAL RECORDS CHECK** ARS 28-4361C & ARS 28-5003C

Each partner and each applicant who owns 20% or more of an entity and who seeks a new license must provide a personal history form and fingerprint card to enable the Motor Vehicle Division (MVD) to conduct a criminal records check.

The criminal records check may not apply if the application is for a subsequent license, or each partner and each applicant owning 20% or more of an entity has completed a criminal records check through MVD in the past five years or is currently licensed.

An applicant, as referenced above, who has been convicted of fraud or an auto-related felony within the last ten years or any other type of felony within the last five years will have his or her license application denied.

If application is denied, we will notify the applicant in writing of the denial and the grounds for the denial. The applicant may appeal the denial by requesting an administrative hearing and, if the denial is upheld, appeal to the Maricopa County Superior Court. ARS 28-4365

**FEES**

- \$15 Filing \*
- \$22 Criminal Records Check (per individual) \*
- \$100 License
- \$10 Provisional License
- \$50 Branch Office (if applicable)

\* To be paid when submitting application. All other fees paid later by invoice.

Criminal Records Check fee must be paid by cashier's check or money order payable to the Arizona Department of Public Safety.

All other fees may be paid by check or money order, payable to the Motor Vehicle Division.

**BOND** ARS 28-4362

The bond must be a surety bond executed by an insurance or bonding company authorized to do business in Arizona, and must be in the amount of:

- \$100,000 New Motor Vehicle Dealer  
Used Motor Vehicle Dealer  
Public Consignment Auction Dealer
- \$25,000 Broker  
Wholesale Auto Auction Dealer  
Wholesale Motor Vehicle Dealer
- \$20,000 Automotive Recycler

A separate original bond must be submitted for each application and for each county in which the licensee has an established place of business.

A power of attorney for the attorney-in-fact must be attached to the bond.

The bond must be signed by the individual, all partners (if a partnership) or one corporate officer (if incorporated). Bonds may not be handwritten.

The bond is continuous and may be canceled only upon receipt of 60 days written notice to the Dealer Licensing Unit.

**BUY/SELL AGREEMENTS**

A copy of the Buy/Sell Agreement must be submitted at the time of application, whenever a prospective dealer purchases an existing dealership. All parties involved must sign the agreement, including partners, directors, officers, stockholders owning 20% or more of a corporation, etc.

**DEALERS SELLING NEW PRODUCTS** ARS 28-4363

Applicants who will be selling new products must submit a certificate of appointment signed by an authorized agent of the manufacturer or distributor licensed to conduct business in Arizona.

The certificate of appointment must contain the following: 1. Name of appointed dealership, 2. Address where new product will be sold, and 3. Name of each product.

**ESTABLISHED PLACE OF BUSINESS** ARS 28-4334

Established place of business must be a permanent enclosed building or structure, owned either in fee or leased, with sufficient space to display two or more vehicles of a kind and type that the dealer is licensed to sell. The established place of business must be devoted principally to the business of a dealer.

A used motor vehicle dealer, public consignment auction dealer and automotive recycler may use a trailer as an office.

A wholesale motor vehicle dealer may operate from a location zoned for residential use. Applicants should contact their local city or county office to ensure compliance with local zoning ordinances.

**BUSINESS HOURS** ARS 28-4361

All dealers must maintain the business hours as indicated on their application.

**BUSINESS SIGN** ARS 28-4406

Each motor vehicle dealer and automotive recycler sign must be legible for 300 feet during daylight. The sign must be permanently erected on the ground or permanently affixed to the building. The sign must indicate that the business of a motor vehicle dealer or automotive recycler is conducted at or from the premises.

A public consignment auction dealer must also post at the public consignment auction dealer's established place of business, a sign indicating that the public consignment auction dealer is exempt from:

- 1. Implied warranty of merchantability described in ARS 28-4412 and 44-1267
- 2. Emissions inspection pursuant to ARS 49-542D

A wholesale motor vehicle dealer or broker must erect a permanent sign (of any size) at the entrance of the place of business. The sign must indicate that the business of a wholesale motor vehicle dealer or broker is conducted at or from the premises.

No sign will be considered permanent if it is painted on glass.

**CORPORATIONS and LIMITED LIABILITY COMPANIES**

Must submit:

- An official copy of the Articles of Incorporation on file at the Arizona Corporation Commission.
- A copy of the current filing of the Annual Report and Certificate of Disclosure, if applicable.

For information on filing as an Arizona corporation, contact the Arizona Corporation Commission at 602-542-3135 or [www.azcc.gov](http://www.azcc.gov).

**LIMITED LIABILITY PARTNERSHIPS**

Must submit an official copy of the Partnership Agreement on file at the Arizona Secretary of State's office.

For information on filing as a limited liability partnership in Arizona, contact the Secretary of State's office at 602-542-6187.

**DEALER PLATES** Optional

Automotive recyclers, public consignment auction dealers, wholesale auctions and brokers are **not eligible** for dealer plates.

Motor Vehicle Dealer Plate	(DL)	\$ 30
Trailer Dealer Plate	(TR)	30
Dealer Transporter Plate	(DT)	20
Dealer Motorcycle Plate	(MD)	10

The right to use a dealer plate expires on license expiration. The fee to continue the right to use a dealer plate must be submitted on or before license expiration date through ServiceArizona.

Every dealer who applies for and obtains dealer plates must comply with ARS 28-4532, 28-4533, 28-4534, 28-4535, 28-4536, 28-4538 and all applicable provisions of the Uniform Motor Vehicle Safety Responsibility Act.

**EXPIRATION OF PERMANENT LICENSE** ARS 28-4405

A permanent license will expire when the licensee fails, neglects or refuses to pay the required fee for the ensuing year. If a licensee fails, neglects or refuses to pay the required fee for the ensuing year on or before license expiration, the fee must be deemed delinquent and penalty equal to the fee will be added thereto and collected.

Renewal of any motor vehicle license type must be completed over ServiceArizona by accessing [www.servicearizona.com](http://www.servicearizona.com) and EZ Dealer Services. To establish a username and password, please contact the ServiceArizona Assistance Desk at 866-436-9533 or e-mail at [ezhelp@us.ibm.com](mailto:ezhelp@us.ibm.com). Renewals will not be accepted through the Dealer Licensing Unit.

Note – It is the motor vehicle dealer's responsibility to update all contact information through either ServiceArizona or the Dealer Licensing Unit.

**ELECTRONIC ACCESS REQUIREMENT**

All licensees are required to have computer and Internet access. Electronic access is **required** to accomplish various business functions related to your license to include renewing licenses and plates, issuing TRP's, 30-Day General Use permits and

corresponding with MVD. Please e-mail the Dealer Licensing Unit to obtain current technical specifications.

**QUESTIONS?**

Please contact the Dealer Licensing Unit by e-mail at [mvdlu@azdot.gov](mailto:mvdlu@azdot.gov) or call 602-712-7571.

The following information is provided as a courtesy, and does not represent all agencies through which you must or may conduct business.

**TITLE AND REGISTRATION**

For title and registration questions, contact MVD:

Phoenix 602-255-0072, Tucson 520-629-9808, elsewhere in Arizona 800-251-5866

**SELLING ON A NON-CASH BASIS**

Dealers selling on a non-cash basis may be required to obtain a motor vehicle sales license from the Arizona Department of Financial Institutions.

For more information call:  
Phoenix 602-255-4421, [www.azdfi.gov](http://www.azdfi.gov)

**EMISSIONS**

Arizona Department of Environmental Quality  
877-692-9227, [www.azdeq.gov](http://www.azdeq.gov)

**STATE SALES TAX**

Arizona Department of Revenue  
Phoenix 602-255-3381, elsewhere 800-352-4090  
[www.azdor.gov](http://www.azdor.gov)



# LICENSING INFORMATION

for a

**Franchised Motor Vehicle Dealer**

**Wholesale Auto Auction Dealer**

**Wholesale Motor Vehicle Dealer**

**Used Motor Vehicle Dealer**

**Public Consignment Auction Dealer**

**Automotive Recycler**

**Broker**

Thank you  
for considering Arizona  
to open your new business.

Mail Drop 552M  
Dealer Licensing  
Motor Vehicle Division  
PO Box 2100  
Phoenix AZ 85001-2100

e-mail: [mvdlu@azdot.gov](mailto:mvdlu@azdot.gov)  
602-712-7571